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The wave of speculation which reached a peak last Thursday has subsided and the market is now more orderly, if less interesting. Transactions are again made up chiefly of the exchange of counters between professional speculators, though there is undoubtedly considerable buying for investment. It is well that the turning point came when it did; otherwise the market would have been in an extremely dangerous condition by this time. Continuation of such excited speculations as prevailed for some days would inevitably have resulted in an overextended position—a position that would have been likely to collapse when the money situation became strained, as was threatened.

There has at no time been an actual shortage of funds for speculative purposes; on the contrary, banks have been extremely liberal. But a situation was being rapidly created that would certainly have produced a money market crisis, just as would be the case were another wild orgy of stock gambling to develop. Bankers are, apparently, inclined to encourage a reasonable degree of activity and to support the market by loaning freely, probably because the better sentiment attending a strong market would make it easier for them to handle the new railroad and other financing that will have to be done in the near future. But on the other hand they are decidedly opposed to a big speculative market at this time, and while they might not take positive action to check a big speculation they probably would discourage it negatively by allowing the money market to take its course.

There is every reason for believing that if there should be a return of the wild speculation recently witnessed the money pool, which has prevented a rise in the call rate above 6 per cent whenever a stringency threatened, would hold aloof no matter how high the rate might go. That being so, the chances are against a renewal of speculation on a large scale in the near future. More than \$6,000,000,000 will be required to meet Liberty Loan and war tax payments within a short period. It will be hard enough to avert a severe flurry in money rates during this period without meeting large additional demands from stock exchange sources.

Money and Credit

Call money was in fairly liberal supply at the Stock Exchange yesterday, where the rate ruled at 4 1/2 to 5 per cent. Toward the close a sudden increase in the demand sent the rate to 6 per cent.

A few renewals of maturing time loans were made yesterday at 6 per cent for the shorter periods, otherwise there was little change in the general situation. Ruling rates for money yesterday, compared with a year ago, were as follows:

	Yesterday	Year ago
Call money:	Percent	Percent
On mixed collateral, 4 1/2 to 5 1/2	4 1/2 to 5 1/2	2 1/2 to 3 1/2
On industrial coll., 5 to 6	5 to 6	3 1/2 to 4 1/2
Time money (mixed collateral):		
Sixty days	6 to 6 1/2	4 1/2 to 5 1/2
Ninety days	6 to 6 1/2	4 1/2 to 5 1/2
Four months	6 to 6 1/2	4 1/2 to 5 1/2
Five to six months	6 to 6 1/2	4 1/2 to 5 1/2

Commercial Paper.—The market was dull, with a small amount of business reported at 6 per cent for the best regular maturities.

Bank Acceptances.—There is an active demand for bank acceptances, with rates steady, as follows:

	Spot	Thirty days	Ninety days
Eligible member	4 1/2 to 4 3/4	4 1/2 to 4 3/4	4 1/2 to 4 3/4
Eligible non-member	4 1/2 to 4 3/4	4 1/2 to 4 3/4	4 1/2 to 4 3/4
Ineligible	4 1/2 to 4 3/4	4 1/2 to 4 3/4	4 1/2 to 4 3/4
Bank bills, 5/4 to 5/4 1/2	5/4 to 5/4 1/2	5/4 to 5/4 1/2	5/4 to 5/4 1/2

For delivery within thirty days:

	Eligible member banks	Eligible non-member banks	Ineligible
Percent	4 1/2 to 4 3/4	4 1/2 to 4 3/4	4 1/2 to 4 3/4

Discount Rates.—The following table gives the current rates of the twelve Federal Reserve banks on commercial paper on all periods up to ninety days:

	1 to 30 days	31 to 60 days	61 to 90 days
Boston	4 1/2	4 3/4	4 3/4
New York	4 1/2	4 3/4	4 3/4
Philadelphia	4 1/2	4 3/4	4 3/4
Cleveland	4 1/2	4 3/4	4 3/4
Richmond	4 1/2	4 3/4	4 3/4
Atlanta	4 1/2	4 3/4	4 3/4
Chicago	4 1/2	4 3/4	4 3/4
St. Louis	4 1/2	4 3/4	4 3/4
Minneapolis	4 1/2	4 3/4	4 3/4
Kansas City	4 1/2	4 3/4	4 3/4
Dallas	4 1/2	4 3/4	4 3/4
San Francisco	4 1/2	4 3/4	4 3/4

London Money Market.—London, May 21.—Money was plentiful to-day and discount rates were easy. Money ruled at 2 1/2 per cent. Short bills

were discounted at 3 1/2 per cent. Three month bills at 3 1/2 to 3 3/4 per cent. Gold premium at Lisbon, 130.00.

Bank Clearings.—The day's bank clearings at New York and other cities were:

	Exchanges	Balances
New York	\$660,094,020	\$58,905,044
Boston	58,285,102	10,997,280
Chicago	83,237,518	6,018,032
Philadelphia	62,135,847	11,618,437

Sub-Treasury.—The banks loan to the Sub-Treasury yesterday \$177,000.

Silver.—Bar silver in London was 48 3/4d, unchanged; New York, 99 1/2c, unchanged; Mexican dollars, 77c, unchanged.

Bank of Germany.—BERLIN (via London), May 21.—The statement of the Imperial Bank of Germany, issued May 15, shows the following changes in assets and liabilities:

	Total	Inc.	Dec.
Gold	864,000		
Treasury notes	201,000		
Notes of other banks	5,301,000		
Notes of other banks	460,000		
Advances	968,621,000		
Investments	1,073,000		
Other securities	28,945,000		
Notes in circulation	1,538,000		
Deposits	894,326,000		
Other liabilities	51,496,000		
Total gold holdings	2,345,393,000 marks		

The Dollar in Foreign Exchange.—Exchange moved in favor of Italy yesterday on quiet trading, with lire quoted at the close at 9.05 1/2, compared with 9.07 on Monday. An easier tone developed in exchange on Holland and guilders declined from 50 1/2 to 50 cents for cable transfers. The rest of the market was steady.

Closing rates yesterday, compared with a week ago, follow:

	Yesterday	Week ago
Sterling, demand	\$4.75 1/2	\$4.75 1/2
Sterling, sixty days	4.72	4.72
Sterling, cables	4.76 1/2	4.76 1/2
Sterling, ninety days	4.70	4.70

(Quoted units to the dollar.)

	Yesterday	Week ago
Francs, checks	5.71 1/4	5.71 1/4
Francs, cables	5.69 3/4	5.69 3/4
Lire, checks	9.05 1/2	9.05 1/2
Lire, cables	9.04	9.04
Swiss, checks	3.90	4.11
Swiss, cables	3.85	4.07

(Quoted cents to the unit.)

	Yesterday	Week ago
Guilivers, checks	49 1/2	48 3/4
Guilivers, cables	50	49 1/2
Rubles, cables	13.25	13.25
Copenhagen, kr., checks	34.50	33.50
Copenhagen, kr., chks	31.75	30.75
Pesetas, checks	28.00	28.00

Below is given the current exchange value of foreign money in dollars and cents, as calculated by the United States Mint:

	Current exchange	Intrinsic value
Pounds, sterling	\$4.75 1/2	\$4.86 2/3
Francs	0.17 1/4	0.19 3/4
Guilivers	0.50	0.40 2/3
Rubles	0.13 1/2	0.51 1/2
Lire, checks	0.11 1/2	0.19 3/4
Crown (Denmark)	0.31 7/8	0.26 1/2
Crown (Sweden)	0.34 1/2	0.28 1/2

The above rates express the cost of foreign money in terms of the American dollar. You buy an English pound sterling at, say, \$4.75 1/2. The intrinsic parity is \$4.86 2/3 per pound. Thus you get either that pound or its equivalent in dollars at a premium, which is owing to the fact that in England the demand for dollars with which to settle accounts in this country is greater than the supply in this country for pounds with which to settle accounts in England.

Butte & Superior Enjoined

Henry D. Williams, of counsel for the Minerals Separation, Ltd., announced yesterday he had been advised that the United States Circuit Court of Appeals in San Francisco had modified its order, so as to grant the company an injunction against the Butte & Superior Mining Company on all operations of the latter covering the "use of one-half of 1 per cent or less of oil up to and including January 7, 1917." In a statement he said:

"The decree as entered May 13, 1918, directed that the bill be dismissed for failure to establish infringement, of the Minerals Separation patent, in a proportion greater than one-half of 1 per cent would not constitute infringement of the Minerals Separation patent. Yesterday the court states that it appears and is admitted that up to and including January 7, 1917, the Butte & Superior Mining Company did use in its process oil in quantities of one-half of 1 per cent or less, and therefore the decree is corrected to direct the court below to issue an injunction and direct an accounting as to all proceedings from August, 1911. This merely corrects the decree to accord with the admitted facts of the case, and obviates a rehearing to that end, and the way for application to the Supreme Court to review the case."

Farrell Stays at Steel Job

James A. Farrell, president of the United States Steel Corporation, denied yesterday the report from Washington that he had received an offer to become director of operations of the Shipping Board. He said he believed there was no intention on the part of the Shipping Board to make such an offer.

"The directors of the Emergency Fleet Corporation," added Mr. Farrell, "know that if the position was tendered to me I would be obliged to decline on patriotic reasons, if for no other. My whole time and energy are devoted to the work of assisting to the utmost of my ability the production and delivery of steel for the emergency fleet and for other government needs."

"In my opinion, there is nothing at the present time more important to the military necessities of the government than the production and delivery of steel."

N. Y. Subscriptions

Total 3,343,123 in
Third War Loan

Bond Purchases in This District Average \$333.50

The emergence of the small subscriber in the Third Liberty Loan campaign is the dominant fact revealed in the complete statistics for this district made public yesterday by the Federal Reserve Bank.

Individual subscriptions totalled 3,343,123 in the last drive, against 2,182,017 in the second and 978,958 in the first. Moreover, the subscriptions between \$50 and \$100 constitute the only group that shows a striking improvement over the showing in the second campaign last October.

Further emphasis in the wide distribution among the people of the last war credit inheres in a comparison of the average amount of the subscriptions compared with the averages of the preceding loans. In the financial "push" which ended on May 4 last the grand aggregate subscribed reached \$1,114,930,700, or \$333.50 per subscription. The average subscription in the New York district in the second campaign was \$710.50 and in the first loan \$1,212.29.

Results Among Big Buyers. Another outstanding statistical feature of the last loan is the record of the large subscribers. Those who took subscriptions in excess of \$200,000 subscribed an aggregate of \$345,850,800, which is larger than that contributed by any other group except that of subscribers to \$10,000 or less of Liberty bonds. Only 430 individual subscriptions were necessary to make up the total in the class of very large subscribers.

Financial observers regard the broadening of the number of war bond holders as exceedingly encouraging. The larger number of subscribers to the Liberty bonds is the number of those who have endorsed America's war enterprise and invested in victory. Moreover, the wide distribution of the bonds will be paid off through current savings, and that there will be a large civilian army of war savers. This will release labor and energy to supply the needs of the government.

As for the subscribers to \$10,000 or more of bonds, their contribution to the third loan was less than they gave in the second. Many factors account for this, but the outstanding fact in relation to the future, it is believed, is that the larger interests will be in a strong position to buy heavily in the second and third Liberty loans. It is tentatively scheduled for next October.

Less pressure was brought to bear on the large buyers in the last campaign than in the preceding two, because the smaller subscribers took a much larger share of the burden than heretofore. Moreover, the large individual buyers and the corporations were confronted with income and excess profits taxes, which fall due next month.

The mathematical tabulations stress the distinction between the third Liberty Loan and the two preceding ones. Subscriptions for \$50 to \$100,000 in the last loan aggregated \$222,915,700, against \$441,101,150 in the second and \$274,019,100 in the first. Subscriptions for \$10,000 to \$50,000 totalled \$127,456,850 in the campaign just ended, compared with \$168,326,200 in the second, and \$101,423,100 in the first. Subscriptions for \$5,000 to \$10,000 amounted to \$68,562,600 in the third loan, against \$100,722,650 in the second and \$17,270,000 in the first. The total in the third loan reached \$50,145,050 in the third loan against \$68,165,700 in the second and \$47,049,500 in the first. Of the subscriptions in excess of \$200,000, the total in the third loan was \$345,850,800, compared with \$772,136,700 in the second and \$693,025,650 in the first.

Total Is Smaller

The grand total of the subscriptions in this district to the third loan was \$1,114,930,700, compared with \$1,186,768,400 in the second and \$1,186,768,400 in the first. The statistics for the small subscribers in the third loan is still tentative, and may show up still better when the final figure is ready.

Corporate Returns

Western United Gas and Electric Company.—The annual report for the fiscal year ended January 31 last shows gross earnings of \$1,830,436, compared with \$1,605,236 for the preceding year. Net earnings after taxes totalled \$702,080, an increase of \$34,205 over the preceding year. Surplus for the year amounted to \$387,414, against \$354,582 for the previous year, an increase of \$32,831.

Kansas City Southern Railway.—The company's gross earnings for the year ended April 30, 1918, compared with \$1,058,731 for the corresponding period of last year. Net after taxes was \$451,476, against \$370,204 for the same period of 1917. Gross earnings for the first four months of 1918 were \$174,784, compared with \$420,160 for the corresponding period of the year before. Net earnings for the period totalled \$152,408.

Philadelphia Rapid Transit Company.—Gross earnings for April amounted to \$242,000, against \$245,300 for the same period of the preceding year. Net earnings were \$1,007,588, from which fixed charges of \$814,126 were deducted, leaving surplus for the month of \$193,462. Gross earnings for the ten months ended April 30, 1918, totalled \$15,132,616. Operating expenses were \$12,927,382, compared with \$10,295,122 for the corresponding months of the previous year. After fixed charges of \$8,125,640, leaving net earnings of \$1,802,282.

Central of Georgia Railway Company.—Total operating revenue for the year ended December 31 last amounted to \$1,602,457, compared with \$1,372,616 in the year before. Operating expenses totalled \$1,045,626, leaving net revenue of \$4,978,888, against \$4,444,098 for the preceding year. Tax accruals and uncollectible revenues were \$887,162, compared with \$720,413 for the year before.

Liberty Loan Statistics

	Number of Subscriptions	Amount	Number of Subscriptions	Amount
THIRD LIBERTY LOAN				
Subscriptions	3,343,123	\$1,114,930,700	2,182,017	\$1,550,453,450
Second Liberty Loan				
Subscriptions	1,114,930	\$772,136,700	978,958	\$1,186,768,400
First Liberty Loan				
Subscriptions	430	\$345,850,800	755	

Market Barometers

Stock Exchange Transactions

	Stocks	Other	All
Yesterday	68,600	525,000	593,600
Day before	118,300	912,900	1,031,200
Week ago	424,600	755,000	1,179,600
Year ago	122,900	815,700	938,600

January 1 to date:

	1918	1917	1916
1918	7,065,300	48,316,300	55,381,600
1917	8,799,300	65,590,200	74,389,500
1916	10,264,800	60,448,400	70,713,200

Bonds

	Week	Year
U. S. gov'ts.	\$343,898,000	\$259,000
Railroads	67,135,000	143,937,000
Others	138,212,000	297,820,000
All bonds	549,245,000	442,016,000

Stock and Bond Averages

	Yesterday	Day before	Year ago
20 Railroads	70.75	70.45	81.10
30 Industrials	84.27	83.70	91.13
60 Stocks	78.86	78.40	87.12

Bonds

	Yesterday	Day before	Year ago
10 Railroads	80.68	80.56	88.00
10 Industrials	91.52	91.53	94.13
5 Utilities	85.30	85.30	95.42
25 Bonds	85.94	85.30	91.94

year 1916. Other income was \$1,267,460, bringing the total income to \$5,362,241, compared with \$5,346,988 for the previous year. After total deductions of \$2,721,614, a surplus of \$2,640,627 was accounted for.

Cotton Exchange

Puts Ban on Rumors

Warns Members Against Spreading Unfounded Reports to Influence Market